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## MONTANA PSC'S ROWE APPOINTED TO FEDERAL-STATE BOARD ON UNIVERSAL TELECOM SERVICE

The Federal Communications Commission announced today that Montana Public Service Commission member Bob Rowe has been appointed to the Federal-State Joint Board on Universal Service. Rowe's appointment means that Montana will have a well-positioned voice in the upcoming debate over how much federal funding rural telephone companies should receive to ensure their customers have continued access to telephone service.

The Joint Board was created by a mandate in the federal Telecommunications Act of 1996. The Act opened telecommunications markets to competition, but also directed the FCC and the states to work together to preserve and enhance the access of all Americans to quality telecommunications service at affordable rates as so that no one will be left behind as competition develops. The board is comprised of four state representatives, three FCC representatives and one consumer advocate.

The Universal Service Joint Board will soon address the question of the level of universal service funding that should be provided to rural telecommunications carriers. The methodologies adopted by the FCC will determine the amount of federal funding that local telephone companies will receive to help defray the high costs they incur to provide service to rural areas like much of Montana. These decisions will have a major impact on Montanans' telephone rates because 17 rural Montana telephone companies currently receive over \$41 million in federal support. U S WEST receives \$1.3 million for its Montana territory. According to Rowe, federal support now keeps Montana phone bills lower by, for example, \$3.63 a year for U S WEST customers; \$18 for Century Tel customers in Flathead County; \$233 for Citizens Tel customers in Lincoln County; \$568 for Clark Fork Tel customers in Sanders County; and almost \$1,500 for Interbel customers in Eureka.

In addition to high cost funding, universal service also includes the federal E-rate program, which provides discounts for schools' and libraries' access to advanced telecommunications services. Montana schools and libraries received \$3.6 million in E-rate discounts in the first year of the program through July 1999 and will receive more than \$3.7 million in the current program year.

"Universal service and competition are the twin pillars of national telecommunications law," according to Rowe.

"Decisions made in Washington about universal service directly affect every Montanan. It is both difficult and essential to balance these two goals."

Rowe said that over the next year the Joint Board will be considering, among other things, ways to promote telecommunications on American Indian reservations, the relationship between support for basic phone service and access to advanced services, and the support mechanism for small rural carriers.

"Preserving rural access to affordable, high quality service will be job number one," Rowe said.

Rowe, 44, is the president of the National Association of Regulatory Utility Commissioners and previously served as chairman of that organization's Telecommunications Committee.

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